

Briefing | Target 5

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Managing disaster risk in policy and investment decisions at national and subnational levels

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This note provides information relevant to the agreement of target (v) of the draft Post-2015 Framework for Disaster Risk Reduction, which reads: *[Substantially] increase the number of countries with national and local strategies by 2020*; and its variant v (alt).

Context

Disaster risk management (DRM) refers to a comprehensive set of measures to: assess and reduce existing risk, and minimise risk creation (collectively termed disaster risk reduction (DRR)); and manage any ‘residual’ risks that cannot be reduced, through risk transfer mechanisms like insurance, or emergency preparedness and response plans.

A clear strategy is needed to reduce existing risks and avoid future risks through sectoral programmes, economic growth strategies, development and spatial plans and other relevant private and public investment decisions. Some important steps have been taken in this regard. By 2013:

- 87% of countries reported that DRR was considered in some public investment and planning decisions.
- A total of 121 countries had established legal and policy frameworks for reducing disaster risk.
- 65% of countries reported the existence of specific legislation for local governments with a mandate for DRR.
- However, only 43% of countries had made regular budget allocations to local governments for DRR by 2013.¹

Importantly, none of these figures gives a clear indication of why the decision was taken or the investment made – whether to reduce, avoid or manage residual risk. Nor does progress in terms of numbers of countries developing tools and frameworks tell us much about the quality of these arrangements or whether they are based on an assessment of risk. Overall, the inclusion of DRM in policy and investment decisions is only piecemeal, and progress in implementing these policies, particularly at the local level, is uneven across the globe.

The proposed target on increasing the number of countries with national and local DRR strategies by 2020 is not sufficiently nuanced to capture the range of actions needed to manage risk effectively, and does not set out the necessary minimum standards for these. If these aspects cannot be tackled at the level of a target, they could be addressed through a set of indicators, which could meaningfully include:

1. Risk assessments to be conducted as part of national and local planning processes.

Risk assessments are a vital tool to ensure disaster risks are understood and considered in planning processes. However, too often this step is missed in the decision-making process, and a significant percentage of risk assessments undertaken do not trigger action or influence investment decisions.² The completion of risk assessments could be mandated for all public investment above a locally appropriate threshold (e.g. Peru), and follow best practices such as high levels of engagement with end-users from the start.³

2. Sets of planning instruments and building regulations that explicitly refer to DRM.

A study of DRM legislation in 31 countries found that most countries had national or state legislation governing development and land use planning. Few have laws that link land use planning, building codes and the DRM system (India is one example of where this happens). Most countries have extensive and legally enforceable building laws and codes that apply throughout their territories. However, only a few of these laws specifically mention a risk reduction function, and it is rare that they are linked with the DRM law or institutional arrangements.⁴

3. Effective use of risk-sharing mechanisms.

Disaster insurance is not a significant aspect of DRM in most countries, although several have announced an intention to develop national insurance schemes. For example, Mexico has implemented compulsory disaster insurance rules for its states, and several lower-income countries have started to explore other ways to share risk, including through subsidies as well as agricultural insurance schemes (e.g. in Viet Nam and China).⁵

4. Clear legal accountability, responsibility and liability for disaster risk management.

Accountability mechanisms provide a good indicator of DRM policy implementation. However, public reporting and parliamentary oversight mechanisms are not a significant feature of most DRM laws, nor are express provisions usually made for civil or administrative procedures against governmental officials or private persons neglecting DRM-related duties. Some notable exceptions include China and Kyrgyzstan. Sanctions are available under more general legislation or common law in a number of countries (e.g. in Algeria, Austria, Japan and Kenya); however, these measures are reportedly used quite rarely.⁶

Measurement and baselines

For each of these target areas on DRM it is important to collect good baseline data against which to evaluate progress. This will be difficult as the quality of the tools and the extent of DRM integration can be assessed only with respect to their application or implementation – data that are harder to collect. A transparent, objective peer review process is therefore needed to qualitatively assess the extent to which *country X* has developed appropriate tools or effectively integrated risk information. A score could then be allocated and verified by reviewers.

1. UNISDR (UN Office for Disaster Risk Reduction) (2013) 'Global Assessment Report on Disaster Risk Reduction. Annex 3: Progress in Implementing the Hyogo Framework for Action 2011-2013'. Geneva: UNISDR. The analysis here is representative of the 90 countries that submitted data to the 2011-2013 reporting cycle by the time this was published.

2. IBRD (International Bank for Reconstruction and Development) and World Bank (2014) 'Understanding Risk: Producing Actionable Information: Proceedings from the 2014 UR Forum'. Washington, DC: IBRD and World Bank.
3. Wilkinson, E. and Brenes, A. (2014) 'Risk Informed Decision-Making: An Agenda for Improving Risk Assessments under HFA2'. London: Climate and Development Knowledge Network

4. IFRC (International Federation of the Red Cross and Red Crescent Societies) and UNDP (UN Development Programme) (2014) 'Effective Law and Regulation for Disaster Risk Reduction: A Multi-Country Report – Summary'. New York: IFRC and UNDP.
5. IFRC and UNDP (2014).
6. IFRC and UNDP (2014).

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